



N A R U C
National Association of Regulatory Utility Commissioners

Resolution on Verizon Forbearance Petition

WHEREAS, On July 1, 2003, the Verizon Telephone Companies (Verizon) filed a petition for expedited forbearance, pursuant to section 10 of the Telecommunications Act of 1996, 47 U.S.C. § 160, requesting the Federal Communications Commission (FCC) to "immediately forbear from its decision permitting UNE-P carriers to collect per-minute access charges from long distance carriers . . . and . . . [to] forbear from applying its current TELRIC pricing rules to the . . . UNE platform;" and

WHEREAS, After six years of relative uncertainty, the pricing methodology originally mandated by the FCC has been substantially upheld at the State and federal levels; and

WHEREAS, The FCC is expected to initiate a generic review of the TELRIC Methodology this year; and

WHEREAS, With implementation of the Triennial Review and the FCC's recent focus on intercarrier compensation issues, and its upcoming proposed broadband rulings, now is the time to provide additional certainty in the regulatory structure; and

WHEREAS, Growth in competition has varied among the States, so that national forbearance is premature; and

WHEREAS, The merits of the Verizon petition hinge on the reasonableness of the pricing of UNE-P, which may be affected by upcoming reviews of both TELRIC and UNE impairment; and

WHEREAS, The FCC is required by federal statute to address the Verizon petition within fifteen months and has requested comments and reply comments from the industry by August 18, 2003 and September 2, 2003, respectively; and

WHEREAS, Forbearance may be appropriate on a State-by-State or market-by-market basis where market conditions warrant; and

WHEREAS, The NARUC Telecommunications Committee believes that a forbearance proceeding is not the appropriate vehicle for an analysis of the national TELRIC methodology before the FCC; now therefore be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its July 2003 Summer Meetings in Denver Colorado, opposes, for the reasons stated herein, the Verizon forbearance petition and respectfully requests that the FCC expeditiously reject it; and be it further

RESOLVED, That the NARUC General Counsel be directed to file and take any appropriate actions to further the intent of this resolution.

Sponsored by the Committee on Telecommunications
Adopted by the NARUC Board of Directors July 30, 2003